



## **Colonial Pipeline Company Civil Settlement**

### ***Seven Oil Spills Forming Basis of Penalty***

**Overview:** On April 1, 2003, the United States announced a settlement with Colonial Pipeline Company resolving violations of the Clean Water Act arising from spills from the company's pipeline in several states. Under the consent decree, Colonial will upgrade environmental protection on the pipeline at an estimated cost of at least \$30 million, and pay \$34 million, the largest civil penalty a company has paid in EPA history. The United States filed a complaint on Nov. 28, 2000, in the Northern District of Georgia. The Clean Water Act authorizes penalties up to \$1,100 per barrel discharged, and up to \$3,300 per barrel discharged for violations that are the result of gross negligence.

#### **Three spills for which the United States alleged gross negligence were:**

**Reedy River, South Carolina:** In June 1996, Colonial spilled nearly one million gallons (22,800 barrels) of diesel fuel in Simpsonville, S.C. The spill polluted a 34-mile stretch of the Reedy River, causing significant environmental damage. Floating oil extended about 23 miles down the river. Approximately 35,000 fish were killed, along with other aquatic organisms and wildlife. Groundwater was contaminated with oil and remained contaminated for more than three years after the spill. Colonial had known for many years that its pipe in the Reedy River was exposed, rusted, and partially missing a protective coating.

**Goose Creek/Tennessee River, Tennessee:** In February 1999, in Knoxville, Tenn., Colonial spilled approximately 53,550 gallons (1275 barrels) of fuel oil, some of which entered Goose Creek and the Tennessee River, polluting approximately eight miles of the Tennessee River. The released fuel saturated 10 homes in the area and caused the evacuation of six homes. The day before the spill, Colonial found anomalies on the pipeline, including on the area where the rupture later occurred, but did nothing. At the time of the spill, Colonial received information of a sudden drop in pipeline pressure. Despite receiving this information indicating a leak, Colonial continued to send fuel oil through the line. Colonial briefly shut down the pipeline, but reopened it and sent fuel oil again, despite continued indications of a leak, until they were alerted by the Knoxville Fire Department that Colonial's fuel was running into Goose Creek.

**Bear Creek, Georgia:** On May 30, 1997, Colonial spilled approximately 18,900 gallons (450 barrels) of gasoline, some of which entered an unnamed creek and its adjoining shoreline in the Bear Creek watershed near Athens, Ga. During the spill, a vapor cloud of gasoline formed, causing several Colonial employees to flee for safety. This spill resulted from a calculation error related to a regular procedure. No one checked the calculations, nor did Colonial have a procedure in place to check such calculations.

#### **Four other spills for which Colonial Pipeline Company was penalized:**

**Darling Creek, Louisiana:** Over a period of years, more than 420,000 gallons (10,000 barrels) of gasoline spilled from small leaks in Colonial's pipeline near Darling Creek in St. Helena Parish, La., before Colonial finally discovered the leak in December 1997. As of September 1999, a plume of gasoline, including leaded gasoline, extended over approximately 14 acres on the groundwater surface, more than 60 acres of groundwater had been contaminated, and some of the gasoline had entered Darling Creek.

**Blacksburg, South Carolina:** Approximately 1,386 gallons (33 barrels) of gasoline spilled, some of which entered an unnamed creek and adjoining shoreline near Blacksburg, S.C., around April 23, 1996.

**Greensboro, East Fork Deep River, North Carolina:** At least 714 gallons (17 barrels) of kerosene spilled, some of which entered a pond that flows into a tributary of the East Fork Deep River in Greensboro around May 19, 2000. The kerosene spill caused a sheen about 40 feet by 40 feet in the pond.

**Greensboro, North Carolina:** Approximately 50 gallons (1.2 barrels) of gasoline spilled, some of which entered an unnamed creek and adjoining shoreline in Greensboro, N.C., around May 17, 1996.

Source: Office of Enforcement and Compliance Assurance